

Successor Coeur d'Alene Custodial Trust

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Via E-mail

January 24, 2017

Ms. Tracy Chellis
Mr. Bill Adams
U.S. EPA
1200 Sixth Ave.
Suite 900
Seattle, WA 98115

SUBJECT: 4th Quarter 2016 Report

Dear Tracy and Bill:

Attached is the 4th Quarter 2016 Report for the Successor Coeur d'Alene Custodial Trust. The report consists of:

- A bulleted narrative of remediation activities and asset management
- A budget and expenditure spreadsheet for the quarter
- A summary spreadsheet showing the values of the three accounts
- The quarterly investment and bank account statements from BlackRock and Wells Fargo (sent to Bill with the hard copy of this report).

I certify that the reports are true and accurate to the best of my knowledge, information, and belief.

Sincerely,



Dan Silver
Trustee

Cc. Dan Meyer

Enclosures

Coeur d'Alene Trust

4th Quarter 2016 Work Completed

Program Management Assistance (#2016-02)

- Coordinated access agreements for projects.
- Prepared and submitted updated 2017 budget and work plan.
- Prepared and delivered exhibits for environmental covenant and data deliverable package for Mine Ventures.
- Managed SCRIBE data transfer and approach for uploading.
- Reviewed and commented on Natural Resource Trustee's draft restoration plan and environmental impact statement.
- Prepared 2017 Health and Safety Plans.
- Met with USEPA regarding updated Coeur d'Alene Trust Project Metrics.
- Met with EPA to discuss 10-year planning options.
- Held lessons learned from 2016 investigation, design, and construction projects meeting with Coeur d'Alene Trust project team.

EFNM WCA Expansion Construction and Waste Placement (#2016-03)

- EFNM WCA construction oversight.
- Oversaw the operation of the EFNM WCA and placement of waste from Success Complex.
- Prepared weekly construction oversight reports.
- Coordinated with contractor and reviewed construction documents.
- Oversaw the winterization of the EFNM WCA.
- Completed and documented pre-final and final site walks.

Success Complex Construction (#2016-04)

- Prepared Success Adit No. 3 memorandum, including vibration study.
- Oversaw the remedial actions and winterization at the Success Complex.
- Prepared weekly construction oversight reports.
- Coordinated with contractor and reviewed construction documents.
- Reviewed confirmation and quality assurance sample results.
- Completed and documented pre-final and final site walks.

EFNM Basin Source Investigation and ARARs Support (#2016-05)

- Prepared for and conducted field investigations at Interstate Millsite, including well development and sampling.
- Managed field and analytical data.
- Prepared Interstate Millsite investigation report.

Operations and Maintenance for Completed Source Control Remedies (#2016-06)

- Conducted annual inspection of the Osburn USBM site.
- Directed barrier maintenance repair at Osburn USBM.
- Prepared annual evaluation report for the Osburn USBM site and submitted to USEPA.
- Conducted end-of season inspection at the Success Bridges and prepare memorandum.

- Prepared Success Bridge for winterization by replacing missing bolts and tightening bolts.
- Conducted monthly inspection at Rex Complex and prepared inspection memoranda.
- Prepared and submitted draft and final Kahnderosa RA Completion report.

Repository Operations – Lower Burke Canyon Repository (#2016-07)

- Accepted and managed waste.
- Maintained best management practices (BMPs) at and winterized the site.
- Maintain Institutional Control Program (ICP) dump area.
- Reviewed contractor submittals.
- Performed monthly inspections.
- Prepared principal threat waste (PTW) Sample Plan Alteration Form (SPAF) for USEPA review and approval.
- Sampled potential PTW material and prepared summary letter for USEPA.

SVNRT Repository/ LBCR Annex Design (#2016-7-2)

- Prepared and submitted remedial design work plan.
- Prepared and submitted 30% design document
- Met and discussed 30% design comments with USEPA, US Army Corps, and DEQ.
- Completed wetland delineation near likely bridge location.
- Discussed potential property purchases to accommodate remedial action with neighboring property owners.

Limited Use Repositories (LURs) – Design, Operation, and Closure (#2016-08)

- Accepted and managed waste at Shoshone Transfer Station and East Zanetti Yard LURs.
- Maintained BMPs at and winterized the sites.
- Reviewed contractor submittals.
- Performed monthly inspections.
- Finalized Osburn LUR Completion Report and submitted to USEPA.

Repository Operations – East Mission Flats Repository (EMFR) (#2016-09)

- Accepted and managed waste.
- Maintained BMPs at and winterized the site.
- Reviewed contractor submittals and deliverables.
- Performed monthly inspections.
- Maintained ICP dump area.

Repository Operations – Big Creek Repository (BCR, including Big Creek Repository Annex) (#2016-10)

- Prepared BCRA bridges weekly inspection checklist.
- Accepted and managed waste.
- Maintained BMPs at and winterized the site.
- Reviewed contractor submittals.
- Performed monthly inspections.
- Performed end of year bridge inspection.

- Maintained ICP dump area.

BCR Repository Expansion and Cap Design (#2016-11)

- Prepared and submitted 100% design documents.
- Completed wetland delineation near north end of BCR.
- Prepared repository operations bid package.

RA Effectiveness Monitoring and Other Water Monitoring (#2016-12)

- Prepared Programmatic QAPP and submitted to USEPA.
- Coordination regarding monitoring data in USEPA SCRIBE database.
- Ninemile and Canyon Creek Monitoring:
 - Completed low flow monitoring.
 - Preparation of 2016 Monitoring Reports, including tables, figures, and loading assessments.
 - Managed and validated laboratory data.
 - Prepared EFNW WCA evaluation.
 - Conducted underdrain inspection at EFNW WCA.
 - Prepared Hecla data deliverable.
- Repositories (BCR, BCRA and EMFR):
 - Preparation of 2016 Monitoring Reports, including tables and figures.
 - Managed and validated laboratory data.
 - Acquired historical repository monitoring reports.
 - Reviewed BCR and EMFR Optimization Plan and prioritization of recommendations.
 - Conducted quarterly monitoring at BCR and BCRA.
 - Conducted semiannual monitoring at EMFR.

Lower Basin Pilot Projects (#2016-13)

- Prepared and submitted SPAF 07 for sampling inundated portion of Black Rock Slough.
- Prepared for and conducted soil/sediment sampling at Black Rock Slough, Canyon Marsh, and USFS Rose Lake property.
- Prepared for additional thin layer capping pilot project construction.
- Reviewed USEPA Lower Basin strategic plan.
- Managed and validated sampling data.
- Prepared 2016 site investigation report.

Remedy Protection Program (#2016-14)

- Conducted Construction Oversight
 - Prepared and reviewed construction-phase submittals for Copper Street/Boulder Creek and Mill Creek phase 1 Remedy Protection Projects
 - Completed construction and construction oversight; prepared field documentation for Copper Street/Boulder Creek and Mill Creek phase 1.
 - Prepared weekly construction reports for Copper Street/Boulder Creek and Mill Creek phase 1.
 - Participated in weekly construction site meetings for Copper Street/Boulder Creek and Mill Creek phase 1.

- Performed field surveying to check construction progress.
- Prepared as-built and record drawings.
- Reviewed analytical data.
- Reviewed change order requests
- Reviewed pay applications.
- Prepared work change directives.
- Reviewed Hunt Gulch 90% design.
- Reviewed Rosebud Gulch 90% design.
- Prepared Hunt Gulch Construction Quality Assurance Plan and Remedial Action Work Plan.
- Prepared Silverton Completion Report and responded to EPA comments.

Basin Property Remediation Program (#2016-15)

- A total of 74 properties were remediated during the 2016 program.
- Working on finalizing property files and red-lining record drawings.
- Working on development of the year-end report.
- Developing the list of properties that are ready for 2017 construction.
- The following information summarizes the total number and type of samples that were collected as part of the 2016 BPRP:
 - 1,828 soil samples were collected from 60 properties.
 - 13 vacuum dust samples were collected from 12 properties.
 - 38 drinking water samples were collected from 16 properties.
 - 21 field blank samples and 21 rinsate blank quality control water samples were collected through the season.

Roadway Improvement Program (#2016-16)

- Coordinated with the Roads Board on preparation of the 2017 Scope of Work and Budget.
- Coordinated with Roads Board on development of the 2017 Work Order for Engineering and Construction for Mullan, Wallace, Osburn and Shoshone County.
- Payment of invoices for 2016 Engineering and construction work completed to date for the cities of Mullan, Wallace, Osburn and Shoshone County.

Asset Management

- The value of the Trust was down -\$8.4m for the quarter. This was due to \$6.3m in expenditures and a loss in investment value of slightly more than \$2m. The loss in value was largely due to (1) a spike in interest rates in the fourth quarter and (2) some investment decisions in one of the actively managed equity portions of the portfolio.
- For the year the Trust investments were up 6.9%. Performance was positive in each of the six portfolio packages. The Trust expended \$17.4m and increased \$12.2m in value for a total gain in investment value of \$29.6m.
- The Trust is considering elimination of a portion of the investment portfolio that has had the poorest performance over the last three years. A decision will be made some time in the first quarter of 2017.
- The Trust closed out an old checking account and will use a single new account going forward.

Coeur d'Alene Trust 2016 Expenditures through December 31, 2016

Project No.	Task	EPA-Approved Budget	Expended To Date 2016	EPA Authorized Budget Remaining	Projected Total 2016 Cost	Projected End-of-Year Balance
	Coeur d'Alene Trust Program Management					
2016-01	Trust Administration	\$875,000	\$858,295	\$16,705	\$858,295	\$16,705
2016-02	Program Management Assistance	\$240,000	\$231,250	\$8,750	\$255,000	-\$15,000
	Source Control Sites					
2016-03	EFNM WCA Expansion Construction and Waste Placement	\$5,674,000	\$3,104,682	\$2,569,318	\$3,152,361	\$2,521,639
2016-04	Success Complex Construction	\$3,960,000	\$1,805,897	\$2,154,103	\$1,854,981	\$2,105,019
2016-05	EFNM Basin Source Investigation and ARARs Support	\$110,000	\$182,361	-\$72,361	\$204,681	-\$94,681
2016-06	Operation and Maintenance for Completed Source Control Remedies	\$145,000	\$61,016	\$83,984	\$70,585	\$74,415
	Repositories					
2016-07	Repository Operations-Lower Burke Canyon Repository	\$235,000	\$374,098	-\$139,098	\$385,790	-\$150,790
2016-07.1	PTM Material Storage/Disposal Design	\$0	\$0	\$0	\$0	\$0
2016-07.2	SVNRT/LBCR Annex Design	\$0	\$88,961	-\$88,961	\$176,578	-\$176,578
2015-Credit	Credit from 2015 for NorthWind	\$0	-\$140,000	\$140,000	\$0	\$0
2016-08	Limited Use Repositories-Design, Operations, and Closure	\$250,000	\$186,873	\$63,127	\$184,209	\$65,791
2016-09	Repository Operations-East Mission Flats	\$305,000	\$127,090	\$177,910	\$107,249	\$197,751
2016-10	Repository Operations-Big Creek (including BCRA)	\$500,000	\$294,710	\$205,290	\$217,892	\$282,108
2016-11	BCR Repository Expansion and Cap Design	\$470,000	\$253,800	\$216,200	\$352,890	\$117,110
	RA Effectiveness Monitoring and Other Water Monitoring					
2016-12	RA Effectiveness Monitoring and Other Water Monitoring	\$360,000	\$408,356	-\$48,356	\$481,500	-\$121,500
	Lower Basin Pilot Projects					
2016-13	Unspecified Lower Basin Pilot Projects(s)	\$200,000	\$100,165	\$99,835	\$126,918	\$73,082
	Remedy Protection Program					
2016-14	Design and Construction of Remedy Protection Projects	\$2,879,500	\$2,684,235	\$195,265	\$2,933,148	-\$53,648
	Basin Property Remediation Program					
2016-15	Basin Property Remediation Program-Including Large Commercial Properties	\$4,000,000	\$3,616,337	\$383,663	\$3,740,000	\$260,000
	Roadway Improvement Program					
2016-16	Design and Construction of Roadway Improvement Projects	\$3,000,000	\$1,583,188	\$1,416,812	\$1,583,188	\$1,416,812
2016-17	Contingency	\$250,000	\$0	\$250,000	\$0	\$250,000
2016-18	Diesel Emissions Program	\$230,000	\$0	\$230,000	\$0	\$230,000
	Total	\$23,683,500	\$15,821,311	\$7,862,189	\$16,685,265	\$6,998,235

Couder d'Alene Trust
Account Values
4th Quarter 2016

	4th Quarter 2016				2016 Totals
	<i>General Work Account</i>	<i>Special Work Account</i>	<i>Custodial Account</i>	<i>4th Q Totals</i>	
Beginning Account Value	\$ 458,358,919	\$ 45,597,721	\$ 38,562	\$ 503,995,202	\$ 483,370,823
BlackRock Investment Accounts					
Beginning Account Value	\$ 447,095,719	\$ 45,597,721	\$ -	\$ 492,693,440	
Change in Value	\$ (1,896,064)	\$ (193,439)	\$ -	\$ (2,089,503)	
Subtotal: Ending Balance	\$ 445,199,655	\$ 45,404,282	\$ -	\$ 490,603,937	
Wells Fargo Commercial Checking					
Beginning Account Value	\$ 368,288			\$ 368,288	
Credits	\$ 33			\$ 33	
Transfer to Business Checking	\$ (368,321)			\$ (368,321)	
Subtotal: Ending Balance	\$ -			\$ -	
Wells Fargo Analyzed Business Checking					
Beginning Account Value	\$ 3,363,057			\$ 3,363,057	
Credits	\$ 6,368,601			\$ 6,368,601	
Debits	\$ (6,346,317)			\$ (6,346,317)	
Subtotal: Ending Balance	\$ 3,385,342			\$ 3,385,342	
Wells Fargo Commercial Savings					
Beginning Account Value	\$ 7,531,855		\$ 38,562	\$ 7,570,417	
Deposit from Investment Acct.				\$ -	
Debit			\$ -	\$ -	
Transfer to Checking	\$ (6,000,000)			\$ (6,000,000)	
Interest	\$ 1,517		\$ 5	\$ 1,522	
Subtotal: Ending Balance	\$ 1,533,372		\$ 38,567	\$ 1,571,940	
Quarter End Account Value	\$ 450,118,369	\$ 45,404,282	\$ 38,567	\$ 495,561,218	\$ 495,561,218
Quarterly/Annual Change in Value				\$ (8,433,984)	\$ 12,190,395